



Just as the economy is the driving force behind our nation's vitality, so too is a healthy economy the foundation for a high quality of life in any small town, community or even an individual family. Beginning with one person's ability to find a job, and spanning to an industry's ability to weather the storm of change, the economy can set the pace for our standard of living and our future. A strong economy can also give us a sense of security, it can help us balance our family's needs and it can enable us to enjoy a better life.

"The manufacturing element of York County is very strong. It is perhaps the strongest, or certainly one of the strongest of any county in Pennsylvania. This is most likely due to our diversified manufacturing base, in which no one or two companies dominate in terms of employment."

Louis J. Appell, Jr.
CEO of Susquehanna Pfaltzgraff Co.

EMPLOYMENT OPPORTUNITIES

A diverse number of employment opportunities is vital to a community's health. The availability of jobs can help us retain our young talent, attract new workers and businesses to the area and prevent residents from seeking employment elsewhere. At the national level, a strong and balanced economy is associated with different types of jobs with different levels of advancement potential.

Economic Base

Much of the wealth and relative prosperity enjoyed in York County is due to a vibrant manufacturing base. Historically, we have adapted as our national economy has transitioned from the agricultural era, to the industrial era, to the service era.

Despite well-publicized closings of manufacturing facilities, the number of manufacturers in York County has actually increased by 6.2 percent from 1993 to 1997. The number of retail trade businesses remained steady and businesses in the service sector increased by 8.2 percent. The total of all business establishments increased by 5.2 percent (Eco. 1).

Employment Growth

Growth in the number of businesses does not necessarily mean growth in the number of persons employed. However, York County's strong economy and free

enterprise climate has created net new jobs, despite the closings of companies such as Caterpillar.

The number of persons employed in the county grew by 6.5 percent from 1993 to 1997.

Employment in manufacturing grew by 2.9 percent and the industry still employs more people than any other industry in the county. However, greater employment growth actually occurred in the service (11.2%) and retail (7.4%) industries (Eco. 2).

Employment by Sector

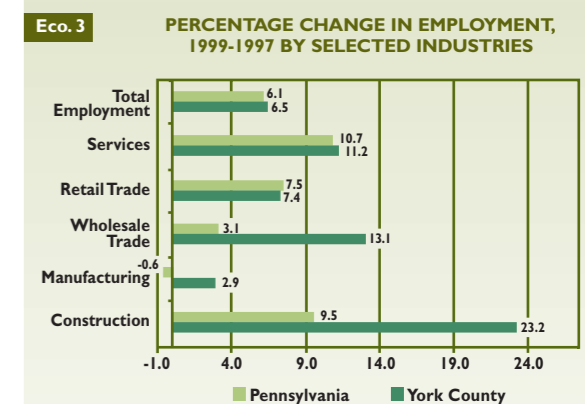
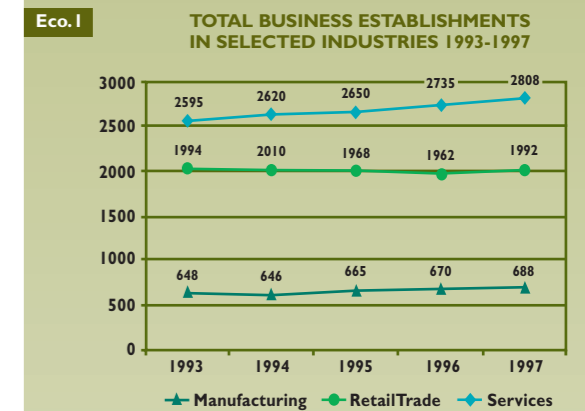
Employment by sector can show us where people are working, indicate how diverse our economy is and help us paint a picture of our investment in human resources. It also can shed light on our dependence on any particular industry – which could make us vulnerable to changes in technology and the financial market.

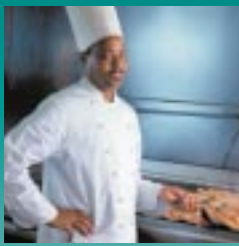
With the exception of retail, York County's employment grew faster than the state of Pennsylvania's from 1993 to 1997, with the most dramatic differences in construction and wholesale.

Although manufacturing throughout the state lost jobs (-.6%), York County experienced a small increase of 2.9 percent (Eco. 3).

New Business Incorporations

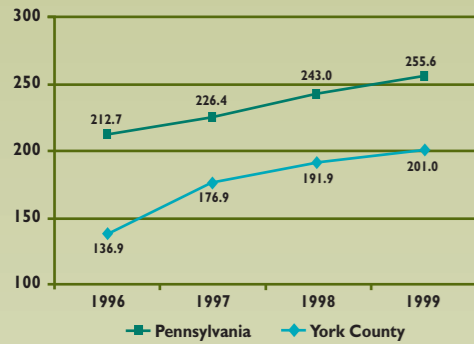
Employment opportunities come from





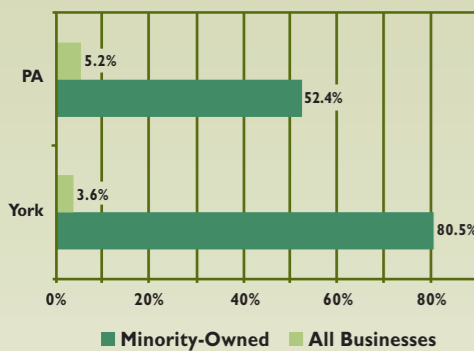
NEW BUSINESS INCORPORATIONS PER YEAR, 1996-1999. RATE PER 100,000 POPULATION

Eco. 4



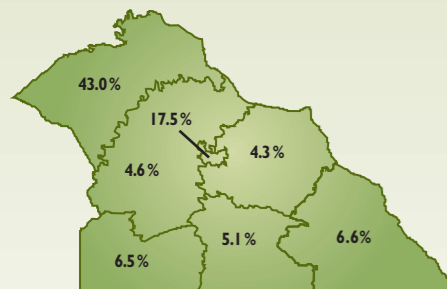
CHANGE IN NUMBER OF BUSINESS ESTABLISHMENTS, 1987-1992

Eco. 5



PERCENT OF HOUSEHOLDS WITH ANNUAL INCOME BELOW POVERTY

Eco. 6



either the expansion of existing businesses or the creation of new ones. New business incorporations is one indicator of entrepreneurial spirit – and it is this kind of endeavor that breathes new life into the region, and keeps us on the leading edge of economic growth.

New business incorporations in York County as a rate per 100,000 population have increased steadily at about the same rate as the state (Eco. 4).

Minority-Owned Businesses

Over a 10-year period, minority-owned businesses nation-wide increased by 168 percent – with revenues from these businesses growing twice as fast and employment surpassing 4 million workers. York County also experienced a tremendous increase in the number of minority-owned businesses, surpassing the growth of all business establishments.

From 1987 to 1992, minority-owned businesses in York County increased by 80.5 percent, from 220 to 397. This increase exceeded the growth of minority-owned businesses at the state level at 52.4 percent (Eco. 5).

Locally-Owned Companies with 100 or more Employees

York County has been characterized as being populated by successful, locally owned companies. Often, these businesses are attractive acquisitions for companies owned by individuals outside the county.

Unfortunately, the commitment to the community and the ability to act for the benefit of the community can become weakened with outside ownership. There are 170 companies in York County with 100 or more employees. Just under half of these are locally owned.

INCOME LEVELS

Income levels are tied to a number of facets of our community and influence many parts of our lives. At the international level, income inequality can mean a poor standard of living, and lack of even the most basic necessities such as food and water. In York County, our household income determines what type of house we live in, the car we drive and can even have an impact on how well our children perform in school.

Concentration Of Poverty

An important measure of a community's economic well-being is the percentage of households with annual incomes below the poverty level.

Using 1990 Census data, York City had the largest percentage of households with annual incomes below the poverty level at 17.5 percent. All other planning regions varied from 4.3 percent to 6.6 percent.

Because the Census is conducted at 10-year intervals, economic information like this can become dated. The 2000 Census will permit another examination of distribution of poverty in the county (Eco. 6).

Free School Lunches

Eligibility for reduced-price and free school lunch programs is a useful current indicator of lower incomes, since detailed income and poverty data are not frequently updated. A more recent measure of poverty distribution in York County is the number of children who qualify for free school lunches.

Nearly two-thirds of the children in York City schools receive free lunches. No other district comes close to this percentage. Since 1995, the percentage of children receiving free school lunches decreased in all districts except York City, where it remained essentially unchanged (Eco. 7).

Disposable Income

Disposable income is the amount of money a person has left to spend after bills, taxes and other obligations are paid. It is also referred to as *the amount of money that a person divides between spending and savings*. Income levels as a measure of economic well-being can be somewhat misleading because they do not take into account the standard of living in an area. Disposable income levels are often used to provide a clearer picture. York County's per capita disposable income (\$16,226-\$20,309) is similar to disposable income levels in other south-central Pennsylvania counties (Eco. 8).

Wages Outpace Inflation

Inflation is a measure of how much prices, on average, change over time. As prices

go up (inflation), our buying power is reduced. That means our income is worth less and we cannot buy the same amount as we used to. Many companies offer a cost of living wage increase every year so that our salaries are tied to inflation and rise as inflation rises. Unless our income keeps up with inflation, the buying power of income erodes over time.

Since the 1995/96 fiscal year, the national inflation rate has declined. The increases in wages at both the county and state levels have outpaced inflation. Increases in the county peaked at 4.2 percent in 1996/97. At the state level, increases reached a high of 4.8 percent in 1997/98 (Eco. 9).

HOUSING

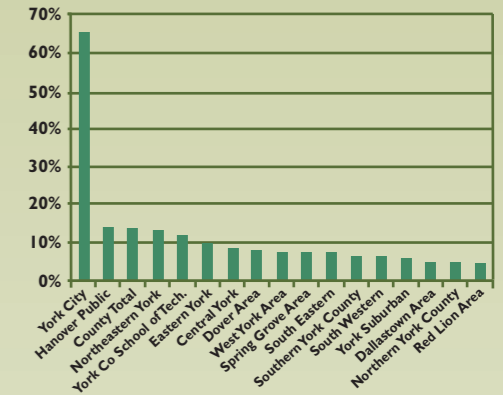
Affordable housing and home ownership is a central component of quality of life. It creates a more stable community and has a noticeable impact on residents' mutual commitment to a neighborhood. There are many parts of the nation in which the cost of housing puts home ownership beyond the grasp of some residents. York County has always prided itself on having affordable real estate.

Housing Prices

The median price of a single-family three-bedroom home in 1999 ranged from \$42,000 in York City to \$129,500 in the Southern York County School District. The county has a variety of housing options including farmhouses,

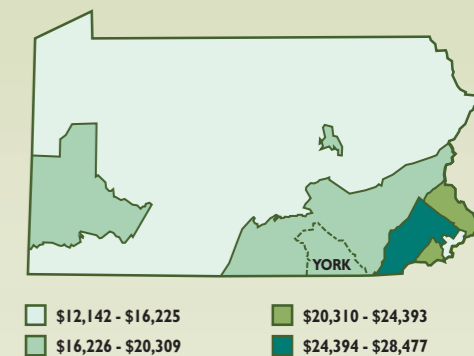
Eco. 7

PERCENTAGE OF CHILDREN WHO RECEIVE FREE SCHOOL LUNCHES



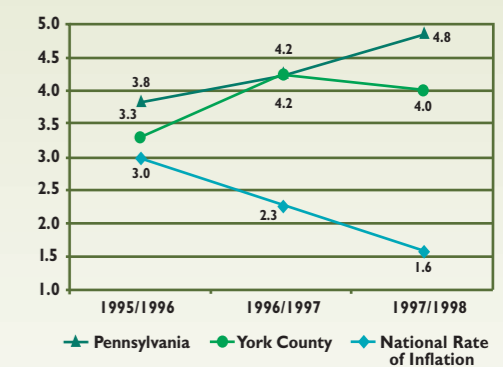
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PER CAPITA DISPOSABLE INCOME, 1999



Eco. 9

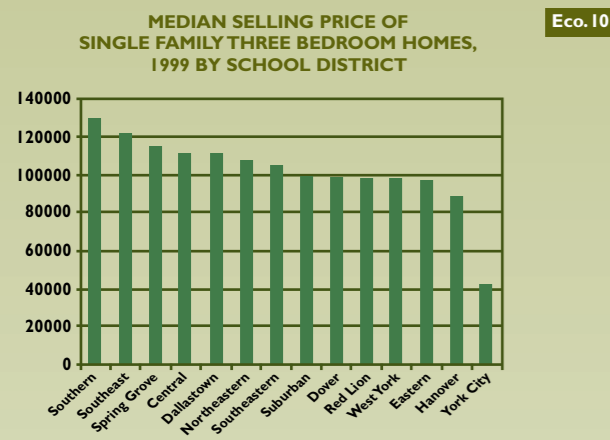
PERCENTAGE CHANGE IN AVERAGE ANNUAL WAGE COMPARED TO CHANGE IN INFLATION RATE





“...What you have today won't last under the impact of current growth trends. The scenic view from your window will disappear as the new subdivision builder paves over the cornfield. The handy hardware store just down the road may succumb to the competition of a (mega store) 15 miles away. Your commute to work stretches to 45 minutes each way as the roads clog with more and more traffic...”

David Rusk
From *Renewing Our Community:
How Sprawl Changes York's Landscape*



condominiums, modern developments and housing lots for building.

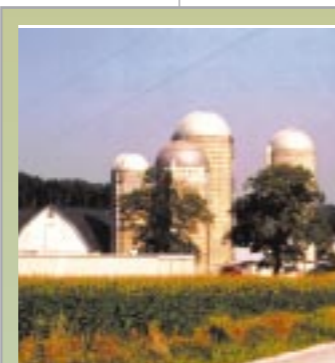
All median sales prices in the county were at least twice the median price of York City. This could restrict lower income households to purchasing a home only in York City where they will also face the highest municipal and school taxes in the county (Eco. 10).

LAND USE

The choices we make around how we use our land – including where we build homes, businesses, roads and infrastructure – is the blueprint for our future. There have been major changes in patterns of land use in the United States since its founding. In 1790, for example, over 90 percent of the U.S. population lived on farms; today, it's less than 3 percent. In the last 20 years, Pennsylvania has lost nearly 20 percent of its farmland – about 1.5 million acres.

The ways in which we use our land can have far-reaching consequences

in terms of water quality, deforestation, sprawl, and loss of wildlife habitats, farmland and open spaces that are valuable amenities in any community. The decisions we make in this area will be critical in our ability to protect our quality of life in the future.



Governor Ridge's leadership on land-use issues began with the work of the state's 21st Century Environment Commission, which identified land use as Pennsylvania's most pressing environmental issue. He has issued a variety of reports, including a list of best land-use practices that communities can adopt. The Governor's latest initiatives give local governments new tools to control sprawl, while respecting private property rights.

“Brownfield” Sites
Brownfields, or sites that are contaminated due to previous industrial usage, can be especially challenging for redevelopment because it means cleaning up someone else's pollution. These sites have become somewhat more appealing due to legislation that helps the new owner with the burden of the clean up.

Since 1997, 25 brownfield sites have been recycled in York County. Five of these sites are in the process of being developed. (Eco. 11).

Urban Sprawl
Urban Sprawl has become a frequently debated issue in the wake of the steady growth of American cities. Sprawling development has isolated the poor in our older urban areas, consumed enormous

quantities of open space, degraded the environment, and forced a large number of citizens into a life of constant driving.

York County has the distinction of being one of the fastest growing counties in Pennsylvania. While this growth has advantages, it can also have a number of long-term negative effects if sprawl is not controlled.

From 1950 to 1998, the number of acres of farm land in York County has decreased by over half. In 1950, the county had 455,948 acres of farm land. By 1998, the number dropped to 222,052.

A recent poll by Farm & Natural Lands Trust of York County indicates that 86 percent of York County residents support the preservation of the region's farms and open space.

Thirty-two percent of those polled said sprawl was what they liked least about living in the County.

OUR ECONOMY...

- Counter to the national trend, manufacturing continues to employ more persons than the service and retail sectors.
- This statistic could be changing because the percentage growth in number of persons employed in manufacturing is less than the growth in service or retail industries.

OUR BUSINESS & EMPLOYMENT...

- The county's economy is growing. Since 1996, the number of new business incorporations has been on the rise, although in 1999, it was just below the rate for the state of Pennsylvania.
- Minority-owned businesses are experiencing growth as well, with an 80.5 percent increase from 1987 to 1992.
- Overall county employment grew by 6.5 percent between 1993 and 1997, which, with the exception of retail, was faster than the state.
- Just under half of the companies with more than 100 employees in York County are locally owned.

OUR INCOME...

- Poverty is concentrated in York City, where 17.9 percent of the households had annual incomes below the poverty levels. The rest of the county had percentages between 4.3 and 6.6 percent.
- The City also has significantly more children receiving free school lunches than anywhere else in the county. Housing costs are also less in York City, but the municipal and school taxes are higher than in the rest of the county.
- The county's average income is about 93 percent of that for the entire state. While lower than the state, the county's population has been realizing increases in wages that exceed the rate of inflation.

OUR LAND...

- Urban sprawl is a great concern for York County's future. In the last 50 years, we have lost over half of our farm land.
- The county has shown signs of responding to the need for better land use planning by recycling and developing an increasing number of “brownfields” – land that is contaminated due to previous industrial use.

